

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF NORTH MERCER WATER)	
DISTRICT, OF MERCER COUNTY, KENTUCKY,)	
FOR (1) A CERTIFICATE OF PUBLIC CONVEN-)	
IENCE AND NECESSITY, AUTHORIZING AND)	
PERMITTING SAID WATER DISTRICT TO)	
CONSTRUCT A WATERWORKS CONSTRUCTION)	CASE NO. 9912
PROJECT, CONSISTING OF EXTENSIONS,)	
ADDITIONS, AND IMPROVEMENTS TO THE)	
EXISTING WATERWORKS SYSTEM OF THE)	
DISTRICT; (2) APPROVAL OF THE PROPOSED)	
PLAN OF FINANCING OF SAID PROJECT; AND)	
(3) APPROVAL OF THE INCREASED WATER RATES)	
PROPOSED TO BE CHANGED BY THE DISTRICT)	
TO CUSTOMERS OF THE DISTRICT)	

O R D E R

On February 4, 1988, the Commission granted North Mercer Water District ("North Mercer") authority to increase its rates for service, but dismissed its application for Commission approval of its construction and financing plans. Dismissal of the application was based on North Mercer's inability to meet the conditions for a \$993,000 loan from the Farmers Home Administration.

On February 24, 1988, North Mercer moved for a rehearing on the construction and financing plans, contending that "additional items and conditions required by the Farmers Home Administration have been met or completed" and that to file a new application would "work an undue hardship on the applicant." As no hearing has been held in this proceeding, the Commission shall consider

North Mercer's motion as a motion for reconsideration of its Final Order.

After review of the record in this proceeding, the Commission finds that good cause exists to reconsider its Order on North Mercer's construction and financing plans.

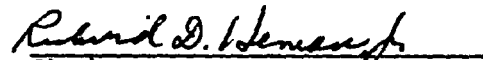
IT IS THEREFORE ORDERED that:

1. North Mercer's Motion for reconsideration be and it hereby is granted.

2. North Mercer shall file with the Commission no later than April 1, 1988, and on the first day of each month thereafter until financing is obtained, a report on the status of its efforts to obtain financing from the Farmers Home Administration for the construction projects detailed in its application.

Done at Frankfort, Kentucky, this 15th day of March, 1988.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director